



Steven L. Beshear
Governor


TRANSPORTATION CABINET

Frankfort, Kentucky 40622
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Joseph W. Prather
Secretary

MEMORANDUM

TO: All Prequalified Consultants

FROM: Michael L. Hill, PE 
Director
Division of Professional Services

DATE: September 17, 2008

SUBJECT: Negotiation of Direct Costs for Mileage, Per Diem, and Hotel

600 KAR 6:070 states that travel reimbursements are governed by 200 KAR 2:006, which specify reimbursement rates for state employees. This regulation provides for an adjustable scale for the average gasoline cost. Current Division of Professional Services policy allows a maximum of Forty-Two Cents (\$.42) a mile for a passenger car and Fifty-Five Cents (\$.55) a mile for a four (4) wheel drive vehicle.

Effective with this memorandum, an average mileage shall be determined from the average of the reimbursement rates of the previous twelve months as governed by 200 KAR 2:006. An interim rate of Forty-Five Cents (\$.45) a mile is hereby established for negotiating for the remainder of September 2008 and will be in effect for one (1) year from the date of this notice. A premium of Thirteen Cents (\$.13) a mile will be allowed for a four (4) wheel drive vehicle. This will allow for a rate of Fifty-Eight Cents (\$.58) a mile for a four (4) wheel drive vehicle.

Negotiated Direct Costs for meals are governed by 200 KAR 2:006, which specified reimbursement rates for state employees remain the same. Breakfast: authorized travel 6:30 a.m. through 9:00a.m. - Seven Dollars (\$7.00); Lunch: authorized travel 11:00 a.m. through 2:00 p.m. - Eight Dollars (\$8.00; and Dinner: authorized travel 5:00 p.m. through 9:00 p.m. - Fifteen Dollars (\$15.00).

Current policy for negotiating direct cost reimbursement for hotel lodging allows for: "Hotel" at Seventy Dollars (\$70.00) per night per person; for Survey Field Personnel, "Hotel" at Forty-Five Dollars (\$45.00) per night per person.



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Effective with this memorandum, the allowable rate for negotiating direct cost reimbursement for hotel lodging will be Seventy Five Dollars (\$75.00) per night for all personnel. There will not be a separate rate for Survey or Field Personnel.

For Estimated-Fixed Fee contracts KYTC will reimburse for the actual expenditure for hotel. The expenditure will be checked for reasonableness when submitting request for payment and in the post audit. If the amount is determined unreasonable the reimbursement will be disallowed or limited to a reasonable amount. Per Diem and Mileage will be reimbursed according to company policy, not to exceed the maximums above.

MLH

Chief District Engineers
Division Directors